

Message Text

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FM SECSTATE WASHDC

TO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS

TREASURY

AMCONSUL BIEN HOA

AMCONSUL CAN THO

AMCONSUL DANANG

AMCONSUL HONG KONG

AMCONSUL NHA TRANG

USDEL JEC PARIS

INFO USSAGE NKP

CINCPAC HONOLULU HI

COGARD

AMEMBASSY BUDAPEST BY POUCH

XMT AMEMBASSY SUVA

AMEMBASSY RANGOON

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COGARD FOR POLAD

E.O. 11652: N/A

TAGS: PFOR, XC, US

SUBJECT: JANUARY 17 EA PRESS SUMMARY

1. INDOCHINA

SUN'S CORDDRY SAYS INFORMED SOURCES REVEALED THAT US
SR-71S HAVE BEEN CONDUCTING RECON FLIGHTS OVER NVN FOR
MANY MONTHS TO CHECK ON MIL MOVEMENTS AND TO "MAKE
SURE HANOI KNOWS IT IS DOING SO." SINCE OBLIQUE

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PHOTOGRAPHY COULD ENABLE PLANES TO DO ALMOST AS WELL

OPERATING OFF COAST, SOURCES SEE FLIGHTS OVER DRV AS POLITICAL RESPONSE TO HANOI'S ALLEGEDLY REPEATED C-F VIOLATIONS AS WELL AS INTELLIGENCE GATHERING MISSIONS. SPY FLIGHTS REPORTEDLY WERE IN PROGRESS LONG BEFORE NVN'S RECENT COMPLAINTS ABOUT THEM. NEITHER DOS NOR DOD WOULD COMMENT ON FLIGHTS, UNDERSTOOD TO HAVE BEEN AVERAGING TWO A MONTH. CORDDRY REPORTS THAT PLANES FLY FROM KADENA AIR BASE ON OKINAWA, PASS OVER NVN AT ALTITUDE OF 80,000 FEET AND AT SPEED OF UP TO 2000 MPH, WITHOUT CONCERN FOR NVN AIR DEFENSES.

ARTICLE IN NHAN DAN REFERRED TO RECENT DOS NOTE AND STATEMENTS BY SECDEF AND STATE'S ANDERSON; DESCRIBED NOTE AS "TISSUE OF LIES" AND PRESENTED LONG LIST OF ALLEGED US AND SVN C-F VIOLATIONS. NVN SAID FORD

ADMIN HAS PROVED ITSELF EQUAL OF NIXON GOVT IN "DISTORTING FACTS" ABOUT US INVOLVEMENT IN VN. IN MOSCOW, PRAVDA COMMENTED THAT US IS NOT FULFILLING C-F BANS ON INTRODUCTION OF ARMS INTO SVN. ADDED DOD HAS DELIVERED TO THIEU 1100 TANKS AND APCs, 800 GUNS, 700 PLANES AND 200 WARSHIPS, AND THAT ABOUT 25,000 US SPECIALISTS STILL IN SAIGON AREA (AP, SUN).

IN STOCKHOLM FONMIN SAID SWEDEN HAD FORMALLY BROKEN OFF RELATIONS WITH SVN (CHITRIB).

WP'S SCOTT QUOTES SEN MCGOVERN THAT MORE MIL AID TO SVN WILL ONLY FURTHER ERODE C-F, NOT HELP IT BECOME REALITY, AND THAT HE IS "ASTONISHED" AT REPORTS ADMIN PLANS TO ASK FOR SUPPLEMENTAL. SAYS SEN ADMITS THAT THERE MAY HAVE BEEN VIOLATIONS ON BOTH SIDES BUT "OUR OBLIGATION IS NOT TO AN ALLY ... BUT TO AGREEMENT ITSELF" AND SUPPORT FOR ONE SIDE ENCOURAGES IT TO GO FOR MIL SETTLEMENT AND RESIST POLITICAL SETTLEMENT. MCGOVERN ALSO VOICED ASTONISHMENT THAT US PLANES FLY OVER NVN AND SVN, COUPLED WITH CLAIMS OF "OUR RIGHT TO BREAK THE PEACE AGREEMENT." TOLD NEWS CONFERENCE WE HAVE ENDURED "JOHNSON'S WAR AND NIXON'S WAR; ...WE DO NOT WANT TO ENDURE FORD'S WAR, UNCLASSIFIED

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TOO." CONFERENCE WAS HELD TO ANNOUNCE 500 RELIGIOUS, LABOR, SOCIAL ACTION AND PEACE LEADERS WILL MEET IN WASHINGTON JAN 25-27 FOR "ASSEMBLY TO SAVE THE PEACE AGREEMENT," THAT WILL INCLUDE CANDLELIGHT WALK TO WH TO PROTEST FORD'S INDOCHINA POLICY. GLOBE QUOTES MCGOVERN THAT "VAST WEIGHT OF THE EVIDENCE" IS THAT NVN AND PRG SUPPORT C-F, BUT THIEU DOES NOT, AND THAT HE SEES ASSEMBLY AS IMPORTANT

STEP TO HELP GUARANTEE THAT WAR WILL END.

VC GUNNERS HIT SVN'S BIGGEST MIL TRAINING CENTER IN SUBURBAN SAIGON AND KILL FOUR. OTHER ROCKETS LAND IN SURROUNDING VILLAGES AND KILL TWO (AP BALTO N-A 1/16; NYT; WP). MIL SOURCES SAID VNAF KNOCKED OUT HALF OF NVN 150-TRUCK CONVOY IN HIGHLANDS IN THIRD SUCH STRIKE THIS WEEK.

NYT'S MARKHAM IN BIEN HOA REPORTS THAT NOCTURNAL ROCKETING OF CITY IS ONE ELEMENT OF SUDDENLY STEPPED-UP CAMPAIGN OF SABOTAGE, TERRORISM AND ASSASSINATION BY VC AROUND SAIGON.

SAYS THAT TO SOME FOREIGNERS AND VIETS IT COMES AS SURPRISE THAT VC CAN ACT WITH IMPUNITY ON EDGES OF CAPITAL, BUT GUERRILLAS HAVE "ALWAYS BEEN THERE."

MIL ANALYSTS BELIEVE COMMUNISTS WANT TO AVOID HEADLINE-GRABBING EXPLOITS IN SAIGON IN FAVOR OF ACTIONS THAT GRADUALLY AND UNDRAMATICALLY UNDERMINE GVN, SINCE THEY MAY WANT TO AVOID GIVING WORLD IMPRESSION THEY HAVE SCRAPPED C-F. ADDS THAT VIRTUALLY ALL MIL UNITS IN AREA HAVE BEEN ON ALERT FOR THREE MONTHS, AND SWEEPS ARE MADE NEARBY.

LAOTIAN PEACE COMMITTEE REPORTS MISSING AMERICAN CHARLES DEAN WAS RECENTLY SEEN FREELY MIXING WITH PL TROOPS IN ISOLATED VILLAGE OVER 200 MILES SOUTH OF WHERE HE WAS CAPTURED (AP, NYT).

DOD SPOKESMAN SAID US ARMY CORPORAL MCKINLEY NOLAN, WHO DESERTED SEVEN YEARS AGO IN VN, WAS SEEN ALIVE UNCLASSIFIED

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IN CAMBODIA. THERE ARE SUSPICIONS NOLAN IS DEFECTOR COLLABORATING WITH COMMUNISTS. DOD DECLINED TO DISCUSS ORIGIN OF INFO, BUT SAID SOURCE WAS CONSIDERED RELIABLE (UPI, WP).

REBELS FIRED EIGHT ROCKETS AT POCHENTONG BUT HIT HOUSING COMPOUND OUTSIDE, ACCORDING MIL SOURCES (WP). WP'S FENTON IN PP FINDS CITY CASUAL AS PRESSURE RISES. QUOTES EXPERIENCED OBSERVER THAT SITUATION IS MOST SERIOUS HE HAD EVER SEEN, AND WAR CAN ONLY BE WON BY TAKING BIG RISK. OBSERVER SAID GKR SHOULD COMMIT FULL DIVISION TO REOPENING ROUTE 1 AND MEKONG. BELIEVES TROUBLE MAY BE THAT EITHER GKR DOES NOT HAVE ENOUGH FORCES FOR SUCH OPERATION OR LACKS TRANSPORT TO GATHER THEM QUICKLY

FROM COMPARATIVELY QUIET PROVINCE CAPITALS. OBSERVES THAT ELITE TROOPS THAT TRADITIONALLY HAVE BORNE BRUNT OF FIGHTING ARE NOW SCATTERED AND TIED DOWN. SAYS US EMBASSY BELIEVED TO WANT TO GET MEKONG CONVOY THROUGH EVEN AT RISK OF LOSSES. NOTES ESTIMATES OF PP'S RESERVES VARY, AND THAT IN OPINION OF NON-US DIPLOMATIC SOURCES AIRLIFT WOULD BE IMPOSSIBLE DUE TO SIZE OF AIRPORT AND LACK OF PERSONNEL CAPABLE OF HANDLING "COLOSSAL" OPERATION.

NYT'S SCHANBERG IN PP QUOTES US EMBASSY THAT CONTINGENCY PLAN EXISTS TO RUN LARGE SUPPLY AIRLIFT INTO CAMBODIA TO KEEP GKR FROM FALLING, BUT IT WOULD BE DONE ONLY AS LAST RESORT, AND WAS NOT BEING CONSIDERED RIGHT NOW. NOTES NO MEKONG CONVOY HAS COME IN SINCE INSURGENTS STARTED NEW YEAR'S DAY OFFENSIVE AND CITY IS STARTING TO RUN SHORT OF BASICS. BELIEVES GKR MUST DO SOMETHING SOON OR US WILL HAVE TO CONSIDER FULL AIRLIFT. RECOUNTS

THAT LAST OCT EMBASSY TURNED OVER AIR-SUPPLY DUTIES TO "SO-CALLED" CIVILIAN CONTRACTOR BIRD AIR, TO GET USAF OUT OF IT IN RESPONSE TO GROWING POLITICAL HOSTILITY AT HOME TO CONTINUED AMERICAN INVOLVEMENT. SAYS MOVE WAS LARGELY COSMETIC, SINCE BIRD AIR WAS GIVEN USAF PLANES WITH INSIGNIA PAINTED OUT, AND PILOTS, DESCRIBED AS CIVILIANS, ARE MOSTLY "RETURNED" AF OFFICERS. STATES UNCLASSIFIED

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RESEMBLANCE OF OPERATION TO EARLIER EXTRALEGAL PROGRAMS HAS LED TO SPECULATION IT COULD BE CIA-CONNECTED. QUOTES EMBASSY THAT BIRD AIR HAS EIGHT PLANES, MOSTLY C-130S, AND CAN OPERATE MAXIMUM OF TEN FLIGHTS DAILY BRINGING IN 200 TONS OF SUPPLIES. SAYS THIS IS ONE-TENTH OF PP'S NEEDS, SINCE AMMO IS BEING EXPENDED AT 600 TONS DAILY, AND 600 TONS OF RICE NEEDED PER DAY FOR PP, NOT TO MENTION MEDICINE, FUEL, PARTS AND OTHER SUPPLIES. RECALLS IN 1973, WHEN MEKONG, WAS UNDER FIRE, USAF BROUGHT IN 40-50 TRANSPORTS DAILY. EMBASSY SPOKESMAN SAID PRESENT PLAN IS TO USE BIRD AIR TO MAXIMUM UNTIL GKR TROOPS OPEN ENOUGH OF MEKONG TO LET SOME CONVOYS THROUGH. OPINES THAT EMBASSY GIVES IMPRESSION WH IS DETERMINED TO KEEP GKR FROM FALLING AND WOULD TAKE ALL STEPS NECESSARY TO DO THIS - EVEN IF IT NECESSITATES EXCEEDING AID LIMITS SET BY CONGRESS.

2. CHINA

REUTER (HK) CITES RADIO PEKING FRIDAY REPORT THAT CCP HELD ITS SECOND PLENARY SESSION RECENTLY.

WP (PEKING) ITEM SAYS MAO RECEIVED FRG'S STRAUSS WEDNESDAY AT SECRET MEETING PLACE -- ALMOST UNPRECEDENTED HONOR FOR GOVT OPPOSITION LEADER. ACCORDING FRG DIPLOMATS, STRAUSS HAD PROMISED NOT TO REVEAL DETAILS ABOUT MEETING OR MAO'S WHEREABOUTS UNTIL AFTER CHINESE ANNOUNCED IT. PEKING OBSERVERS REPORTEDLY SAW INCIDENT AS DELIBERATE SNUB FOR SOVIET, WHICH HAD BEEN STRONGLY CRITICAL OF STRAUSS' PEKING VISIT. DURING EARLIER TALKS WITH STRAUSS, TENG HSIAO-PING SAID CAUSTICALLY THAT "SOME PEOPLE" -- APPARENT REFERENCE TO KREMLIN LEADERS -- CONSIDERED STRAUSS' DISCUSSIONS WITH CHINESE AS "CONFERENCE OF THE WORST PEOPLE IN THE WORLD.,

REUTER'S PEARCE, IN PEKING, SAYS REMARKABLE TREATMENT ACCORDED STRAUSS REFLECTS COMMON GROUND HE FOUND DURING TALKS WITH CHINESE ON ISSUES SUCH AS WE SITUATION AND DETENTE WITH SOVIET. REPORTS STRAUSS-MAO MEETING IS VIEWED IN PEKING NOT ONLY AS DELIBERATE UNCLASSIFIED

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SNUB TO SOVIET, BUT AS FRIENDLY GESTURE TO MAN WHO

SEES EYE-TO-EYE WITH CHINESE ON KEY POLITICAL ISSUES; BUT OBSERVERS DO NOT CONSIDER STRAUSS' WARM RECEPTION INTENDED IN ANY WAY AS AFFRONT TO FRG CHANCELLOR SCHMIDT, SCHEDULED TO VISIT CHINA IN MARCH OR APRIL. WHILE PEKING IS MORE SYMPATHETIC TO STRAUSS' HARD-LINE POSITION ON DETENTE THAN TO BONN'S POLICY OF RELAXATION WITH EASTERN BLOC, AS HEAD OF GOVT SCHMIDT CAN EXPECT TO MEET SAME CHINESE LEADERS STRAUSS MET, IN ADDITION TO RECEIVING ELABORATE CEREMONIAL WELCOME ALWAYS GIVEN VISITING GOVT LEADERS.

IN VIEWS ATTRIBUTED TO YOSHIHIRO INAYANA, LEADER OF JAPANESE ECONOMY/TRADE DELEGATION VISITING PEKING, KYODO REPORTED FRIDAY THAT CHOU EN-LAI "APPEARED TO BE WELL AND VIRTUALLY UNCHANGED" FROM TWO YEARS AGO. INAYANA QUOTED PREMIER SAYING HE HAS RECOVERED CONSIDERABLY, ALTHOUGH NOT YET COMPLETELY CURED (REUTER TOKYO).

INAYANA-LED DELEGATION DEPARTED PEKING FOR HOME FRIDAY MORNING. ACCORDING JAPANESE SOURCES, PRC HOPES TO BOOST OIL EXPORTS TO JAPAN TO AROUND EIGHT MILLION TONS THIS YEAR (REUTER PEKING).

WP PHOTO SHOWS NATIONAL GALLERY OF ART VISITORS VIEWING BRONZE RECTANGULAR WINE VESSEL, PART OF PRC ARCHAEOLOGICAL FINDS EXHIBIT THAT WILL REMAIN AT NGA

UNTIL MARCH 30.

3. JAPAN

REUTER (YOKOSUKA) SAYS US NUCLEAR SUB HADDOK LEFT PORT JAN 17 CUTTING SHORT SCHEDULED 3-WEEK VISIT BY 17 DAYS, AMID SPECULATION ABOUT USN BUILD-UP IN INDIAN OCEAN AND OFF VN COAST.

WP SAYS MIYAZAWA MET GROMYKO IN MOSCOW, DISCUSSED DISPUTED NORTHERN TERRITORIES.

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REUTER NEMURO (GLOBE) CITES JAPANESE CG REPORT THAT SOVIET PATROL BOAT SEIZED JAPANESE FISHING BOAT, CREW OF FOUR OFF HABOMAI, ONE OF FOUR NORTHERN ISLANDS IN DISPUTE BETWEEN JAPAN, USSR.

GLOBE NOTES MIKI STATEMENT TO PRESS THURSDAY THAT JAPAN, UNLIKE US, WILL CONTINUE TO FIGHT INFLATION, WILL BEGIN PEACE TALKS WITH CHINA SOON, BUT HAS NO PLANS TO OPEN DIPLOMATIC RELATIONS WITH NK.

NYT'S HALLORAN IN TOKYO REPORTS STATEMENT BY FUKUDA TO FOREIGN PRESS THURSDAY, AND MIKI TO JAPANESE PRESS, THAT JAPAN SHOULD CONTINUE DEMAND RESTRAINT TO FIGHT INFLATION, RATHER THAN STIMULATE ECONOMY TO HALT RECESSION, DESPITE SHIFT TO EXPANSIONARY POLICIES BY US, FRG. SAYS CALL FOR RELAXING RESTRAINT COMES FROM JAPANESE BUSINESS WHICH HARD HIT BY FALLING PRODUCTION, SALES, AND FROM ABROAD WHERE JAPAN BEING FORCED TO PUT ITS ECONOMY IN TANDEM WITH WEST. NOTES JAPANESE PRESS REPORTS THAT OECD SEC GEN VAN LENNEP FORCED IN WASHINGTON YESTERDAY THAT JAPAN SHIFT TO EXPANSIONARY POLICY TO HELP WORLD ECONOMY.

FOLLOW (SPECIAL TO WP FROM TOKYO) CITES FUKUDA CLAIM THAT JAPAN HAS ALMOST CONQUERED ENEMY (INFLATION), BUT WARNS THAT PREMATURE RELAXATION WOULD CAUSE ECONOMY "TO CRASH INTO WALL." QUOTES MIKI SAYING TIME IS NOT RIPE YET FOR GOVERNMENT TO SHIFT...TO STIMULATING ECONOMY". NOTES IMPRESSIVE SUCCESS OF FUKUDA'S PRICE STABILIZATION PROGRAM, WITH ONLY .04 PERCENT RISE IN TOKYO CPI IN NOVEMBER, BUT SAYS COSTLY LAYOFFS, PRODUCTION CUTS AND BANKRUPTCIES HIGH. NOTES CONSENSUS SHAPING UP AMONG BUSINESS, POLITICAL LEADERS TO REDUCE BOJ DISCOUNT RATE. SAYS FUKUDA POLICY AIMS TO KEEP DOWN SPRING WAGE HIKES, WITHOUT GOVT INTERVENTION, BY CREATING LOWER PRICE ENVIRONMENT.

UT SUGGESTS GOJ WILL EASE TIGHT MONEY, STIMULATE
CONOMY VIA SUPPLEMENTARY BUDGET, AFTER SPRING LABOR
FFENSIVE.

OC'S CULLISON IN TOKYO NOTES SERIOUS CONCERN IN
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OKYO THAT SOVIET ABROGATION OF 1972 TRADE AGREEMENT
ITH US MAY HAVE ADVERSE IMPACT ON SIBERIAN JOINT
EVELOPMENT PROJECTS. SAYS BUSINESSMEN DECLINE TO
OMMENT ON RECORD BUT GOJ SPOKESMAN SAID MIKI GOVT
OULD TAKE "WAIT-AND-SEE" ATTITUDE WHILE OHIRA RAISES
BJECT WITH HAK IN WASHINGTON THURSDAY, AND MIYAZAWA
ISCUSSES IT WITH GROMYKO IN MOSCOW.

;UN'S SEIDEN IN TOKYO CITES MIKI TELLING PRESS
YESTERDAY THAT ALLEGATIONS OF CORRUPTION AGAINST
TANAKA SHOULD BE INVESTIGATED UNDER LAW, IF NECESSARY.
MIKI DECLINED TO SAY WHY THIS NOT STARTED IN TWO MONTHS
SINCE TANAKA RESIGNED, BUT EXPRESSED HOPE TANAKA WOULD
DISCLOSE FINANCES ON HIS OWN. ADDS TANAKA SPOKESMAN
SAID STAFF WORKING ON PROMISED REPORT, BUT DID NOT
KNOW WHEN IT MIGHT BE READY.

JOC'S CULLISON CITES MITI THAT JFY 75 BUDGET INCLUDES
15.7 MILLION DOL TO EXPLORE FOR OIL, GAS ON JAPAN'S
CONTINENTAL SHELF. CULLISON NOTES FUKUDA STATEMENT
THURSDAY, THAT JAPAN NEEDS TWO YEARS TO SHIFT ECONOMIC
GEARS FROM HIGH-GROWTH TO MODERATE, STABLE EXPANSION.
AND, IN FIRST OF TWO-PART SERIES ON AUTO INDUSTRY,
CULLISON SAYS AUTO MAKERS BEAR FULL BRUNT OF RECESSION
WHEN THEY SHOULD BE WORKING TO MEET NEW EMISSION CONTROL
STANDARDS.

JOC (TOKYO) SAYS NISSAN REPLACED TOYOTA AS JAPAN'S
TOP AUTO EXPORTER LAST YEAR WITH RECORD SALES ABROAD,
UP 22 PERCENT OVER 1973; TOYOTA INCREASED EXPORTS
18.8 PERCENT.

4. KOREA

RELIGIOUS NEWS SERVICE NEW YORK (WP) SAYS UNITED
METHODIST CHURCH FREEZES PAYMENTS TO KOREAN METHODIST
CHURCH, UNTIL IT LEARNS WHAT HAPPENED AT KOREAN
METHODIST GENERAL CONFERENCE DEC 14. MAJORITY
ELECTED ONE BISHOP, DISSIDENTS ANOTHER. SPLIT
OCCURRED ABOUT TIME REV. OGLE DEPORTED, BUT METHODIST
SPOKESWOMAN DOUBTS "SCHISM" DIRECTLY RELATED TO DIS-
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AGREEMENT ABOUT ROKG POLICIES.

5. PHILIPPINES

STEVE AND PRESY PSINAKIS (SHE IDENTIFIED AS SISTER OF EUGENIO LOPEZ) WRITE NYT, TAKE ISSUE WITH DEC 25 LETTER BY GOP SPOKESMAN ON FATE OF LOPEZ AND OSMENA -- BOTH STILL DETAINED AS POLITICAL PRISONERS, NOT RELEASED AS CLAIMED. SPOKESMAN WROTE THAT MARCOS DENIES GROUNDS FOR AMNESTY EXIST IN THEIR CASE, BUT AMB ROMUALDEZ WROTE SEN. GUERNEY DEC 5 THAT LEGAL STUDY GROUP FOUND BOTH QUALIFIED FOR AMNESTY. SPOKESMAN SAID MARCOS DECIDED NOT TO GRANT AMNESTY "TO THOSE WHO PLOTTED TO KILL HIM," IMPLYING THEY ALREADY CONVICTED. THUS, PSINAKIS CHARGE, TRIAL WOULD BE NOTHING BUT FARCE, WITH MARCOS AS COMPLAINANT, PROSECUTOR AND JUDGE.

REUTER WASHINGTON (NYT) SAYS FEDERAL GRAND JURY INDICTED NAPOLEON LECHOCO ON SIX COUNTS, INCLUDING ASSAULT, KIDNAPPING OF AMB ROMUALDEZ; HE COULD GET LIFE.

6. AUSTRALIA

CHITRIB'S JACKSON, IN MOSCOW, SAYS WHITLAM LEFT CITY THURSDAY WITHOUT SEEING BREZHNEV, THUS DEEPING MYSTERY ABOUT RUSSIAN'S HEALTH AND POLITICAL STATUS. NOTES WESTERN DIPLOMATS SURPRISED, BECAUSE SOVIETS TRYING TO IMPROVE RELATIONS WITH GOA (ALSO REPORTED BY UPI MOSCOW, NYDN).

NYT'S STEWART IN SYDNEY NOTES RISING CONCERN OF REFUGEES ABOUT WHERE THEY CAN LIVE UNTIL RETURN TO DARWIN, WHERE THEIR CHILDREN GO TO SCHOOL, AND WHETHER THEY CAN FIND WORK; SAYS BICKERING WITH FEDERAL OFFICIALS ON HOW TO SPEND AID FUNDS INCREASING.

7. NEW ZEALAND

JOC'S MCLAUCHLAN IN AUCKLAND REPORTS NZ MONEY SUPPLY, UNCLASSIFIED

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SELECTED PUBLIC ASSETS, SHOW FIRST DROP SINCE 1966, WITH 3RD QUARTER DECLINE OF .4 PERCENT.

SOARING COSTS, SLUMPING PRICES SQUEEZE NZ LIVESTOCK GROWERS, WHO THREATEN TO DRIVE CATTLE TO PACKING HOUSES ON MAIN ROADS TO AVOID SHIPPING COSTS, OR EVEN SLAUGHTER CATTLE (JOC).

8. GENERAL

NYT'S SCHMECK CITES SERIOUS CONCERN OF US NARCOTICS OFFICIALS OVER GROWING INFLUX OF SEA HEROIN INTO EUROPE, WITH TRAFFIC SPILLING OVER INTO NY. UNDER NEW "HUMAN WAVE" TACTIC, SMUGGLERS CARRY SMALL AMOUNT OF HEROIN EACH, IN HOPE OFFICIALS WON'T BE ABLE TO SEARCH EVERYONE ARRIVING ON SAME PLANE. ASIAN BROWN HEROIN NOT YET WIDELY ACCEPTED BY US ADDICTS, BUT US OFFICIAL WARNS THIS COULD CHANGE IF DRUG GETS MAJOR FOOTHOLD AMONG SEVERAL THOUSAND US MIL PERSONNEL AND DEPENDENTS IN EUROPE. CITES DEA OFFICIAL THAT CHINA DOES NOT APPEAR INVOLVED IN THIS TRAFFIC.

COMMENT AND ANALYSIS

9. INDOCHINA

S-N'S NOYES SEES NEW OFFENSIVE AND URGENT ADMIN PLEA FOR MORE MIL AID FUNDS REVIVING ALL THE OLD PASSIONS WITH A VENGEANCE, AND IT IS OBVIOUS THAT "TRYING TO EXTRACT ONE RED CENT FROM THIS SO-CALLED LIBERAL

CONGRESS" IS MONUMENTAL TASK (JAN 16).

OLD ARGUMENTS TAKE ON NEW INTENSITY AS OPPOSITION SNIFFS "HEADY SENSE OF FINAL DEFEAT" AND THERE IS INCREDIBLE AMOUNT OF MEALY-MOUTHED HYPOCRISY IN ARGUMENTS WHY US HAS MORAL OBLIGATION TO DO NO MORE TO HELP SVN. LIBERALS EXPLAIN ALL WOULD BE WELL IF ONLY SAIGON WOULD LIVE UP TO C-F NEGOTIATED BY HAK, COME TO TERMS WITH ENEMIES.

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SEN. MANSFIELD IS FOUR-SQUARE AGAINST ANY FUTURE AID "TO STOP THE KILLING," SEN CHURCH ARGUES PASSIONATELY THAT WAR WOULD HAVE ENDED LONG AGO, "EXCEPT FOR OUTSIDE INTERFERENCE".

NOYES SUGGESTS THESE "COMPASSIONATE GENTLEMEN" KNOW THAT THERE IS NO CHANCE FOR COMPROMISE PEACE; THAT DRV WILL CONTINUE TO GET UNLIMITED BACKING OF SOVIETS AND CHINESE; AND THAT WITHDRAWAL OF US AID MEANS MILITARY SUBJUGATION OF 15 MILLION PEOPLE WHO HAVE

DEFENDED THEMSELVES FOR 30 YEARS. WHY NOT SAY SO
IN SO MANY WORDS?

SEN. MCGOVERN HAS VIRTUE OF CERTAIN HARSH HONESTY
IN NOT PRETENDING WE ARE BETRAYING ALLIES OUT OF
A HUMANITARIAN CONCERN FOR THEIR OWN BEST INTERESTS.
HIS PREDICTION THAT EARLY COLLAPSE "IS JUST A MATTER
OF TIME" ONCE US PULLS OUT IS CLOSE TO SELF-FULFILLING
PROPHECY. MESSAGE IS CLEAR TO VIETNAMESE AND OTHERS:
SO FAR AS LIBERAL CONGRESS IS CONCERNED "WE NO LONGER
GIVE A DAMN WHAT HAPPENS IN THE REST OF THE WORLD."
AS MCGOVERN SUGGESTS, "IT IS JUST MATTER OF TIME."

ROTH (BULLETIN 1/14) SAYS THERE IS NO ASSURANCE THAT
IF US PROVIDES GVN MORE MONEY, COMMUNISTS WILL NOT
PREVAIL ANYHOW. BELIEVE CONGRESS MUST ASK ITSELF
WHETHER IN INTEREST OF US TO CONTINUE INDEFINITELY
INVOLVEMENT IN WAR FOR WHICH NO END IN SIGHT.
NOTES THAT SOME CONTEND DECISION CANNOT BE REACHED
ON THAT BASIS ONLY, SINCE MORAL CONSIDERATIONS
CANNOT BE IGNORED: HAS US RIGHT TO ABANDON ALLY,
AND HAVE THOSE WHO FOUGHT AND DIED THERE DONE IT
FOR NOTHING?

ADMITS QUESTIONS ARE DIFFICULT TO ANSWER, AS ARE
QUESTIONS ON OTHER SIDE: WHEN WILL OUR OBLIGATION
TO SVN BE FULLY MET, AND HOW LONG SHOULD WE GO ON
SUPPORTING WAR THAT MAKES NO DISTINCTION BETWEEN

COMBATANTS AND CIVILIANS THAT NO ONE IN ANY REAL
SENSE CAN WIN? BELIEVES NEW CONGRESS MAY FACE
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QUESTIONS MORE SQUARELY, BUT IT CHANGES MORE SLOWLY
THAN ITS PERSONNEL AND POSITIONS TAKEN ARE NOT
QUICKLY OR EASILY ABANDONED. SEES IT NOT UNLIKELY
THAT COMPROMISE ROUTE WILL BE FOLLOWED THAT WOULD
MEAN VOTING SOME OF EXTRA VN AID MONEY TO KEEP THIEU
GOING BUT NOT FOR LONG: ENOUGH TO STAVE OFF DEFEAT
BUT NOT ENOUGH TO BRING VICTORY. OPINES THAT BASIC
QUESTIONS WILL STAY UNANSWERED AND WAR WILL GO ON.

BOSTON GLOBE WONDERS WHEN WE WILL EVER LEARN. SAYS
C-F UNDERMINED BY SIGNERS AND US MUST SHARE GUILT.
NOTES THAT NONE OF PARTIES HAS WORKED TOWARD NATIONAL
RECONCILIATION, BUT THERE IS EVIDENCE THAT BLAME
FOR BREAKING TRUCE INITIALLY RESTS WITH THIEU. QUOTES
MAYNARD PARKER IN CURRENT FOREIGN AFFAIRS THAT GVN
TOOK OFFENSIVE ALMOST FROM MOMENT C-F WAS SIGNED.
SAYS CONTINUED US MIL AID VIOLATES SPIRIT OF C-F

AND PROLONGS WAR. MENTIONS RECON FLIGHTS OVER NVN AS PERHAPS VIOLATING LETTER OF ACCORDS; AND CONTENTS ARGUMENT THAT VIOLATED PACT IS NO PACT AT ALL, IF CARRIED TO ITS CONCLUSION, WOULD ALLOW RENEWED US BOMBING, OR WORSE. STATES C-F DEFINES PROPER POSTURE FOR US. RAPS "AUDACITY" AND "HYPOCRISY" OF RECENT US NOTE PROTESTING NVN VIOLATIONS.

GLOBE QUOTES SK ADM LEE THAT US ALSO PLACED NUCLEAR WEAPONS IN SK WHERE PARK DELIBERATELY PROVOKES INCIDENTS WITH NK. OPINES THAT FORD ADMIN SHOULD IMMEDIATELY REAFFIRM ITS FIDELITY TO C-F, ORDER END TO US VIOLATIONS, AND PRES SHOULD CONFIRM OR DENY PLACEMENT OF NUKES IN SK. CONCLUDES THAT US HAS LEARNED NOTHING FROM VN EXPERIENCE IF IT HAS NOT LEARNED THAT THERE IS NO SUCH THING AS LIMITED INTERVENTION IN AFFAIRS OF PEOPLE OF ASIA.

TAD SZULC (NYT) SEES DANGEROUS DEJA VU QUALITY IN US RECON FLIGHTS OVER NVN. CONSIDERS IT DANGEROUS BECAUSE COULD INVOLVE US AGAIN IN AIR WAR; DRAWS PARALLEL WITH EVENTS OF 1968 BOMBING HALT WHEN RECON FLIGHTS LED TO PROTECTIVE REACTION STRIKES. BELIEVES ADMIN'S OPTIONS TO HELP SVN WITHOUT VIOLATING UNCLASSIFIED

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CONGRESSIONAL BAN ARE LIMITED, BUT RECOURSE TO OVERFLIGHTS OF NVN COULD HAVE DISASTROUS CONSEQUENCES. PAST HISTORY SUGGESTS NORTH VIETS LIKELY TO FIRE AT PLANES, AND IF US PILOTS ARE LOST ADMIN MAY AGAIN INVOKE NEED TO PROTECT US LIVES. SAME DANGER APPLIES TO FLIGHTS OVER COMMUNIST AREAS OF SVN. INSISTS RECON ACTIVITY OVER NVN IS C-F VIOLATION. SAYS PRACTICAL QUESTION IS NOT WHETHER US HAS RIGHT TO FLY OVER NVN, BUT WHETHER THIS IS WISE COURSE OF ACTION, SINCE MAJOR RISKS BEING TAKEN. ADMIN IS CONCERNED ABOUT SITUATION AND PREPARED TO PULL OUT ALL STOPS WITHIN LAW, GO TO CONGRESS FOR MORE FUNDS, AND FEELS PRESSED TO WARN HANOI TO STAY WITHIN ACCEPTABLE BOUNDS UNLESS IT WISHES TO TRIGGER MAJOR CRISIS. BELIEVES RECON FLIGHTS TAKE MATTER STEP FURTHER, BUT THIS IS HIGHLY DANGEROUS WAY OF DEALING WITH VN SITUATION. "HISTORY SHOULD HAVE TAUGHT US THIS LESSON."

SHIPLER (NYT) IN SAIGON SEES INFLUENCE OF C-F ACCORDS WANING AS PACE OF CONFLICT INCREASES. WAR BEING FOUGHT AT TEMPO OF EARLY DAYS OF US INVOLVEMENT. AGREEMENTS CALL FOR DEMOCRATIC LIBERTIES AND OPEN POLITICAL STRUGGLE BETWEEN BOTH SIDES, BUT GVN HAS

CONTINUED TO EXCLUDE COMMUNISTS FROM ANY LEGAL ROLE, WHILE COMMUNISTS HAVE REFUSED TO NEGOTIATE WITH THIEU. SOME BELIEVE C-F STILL IMPOSES MEASURE OF MIL INHIBITION ON COMBATANTS, BUT OTHERS SEE RESTRAINTS ERODING BADLY. SPECULATION IN SAIGON IS THAT COMBAT MAY BRING CONFLICT TO SOME FRESH TURNING POINT AND NEW NEGOTIATIONS MAY EMERGE. DIPLOMATS THEORIZE THAT THIEU MAY OFFER TO CARRY OUT PARTS OF C-F THAT COMMUNISTS CONSIDER FAVORABLE TO THEIR SIDE, BUT NO HARD EVIDENCE THIS WILL HAPPEN.

SHIPLER REVIEWS EVENTS IN SVN THAT PRECEDED C-F, INCLUDING ARMS BUILD-UPS AND LAND-GRABBING, AND HAPPENINGS SINCE. SAYS VC ORDER OF OCT 15, 1973 WAS POST-C-F WAR TURNING POINT, SINCE IT DIRECTED UNITS TO FIGHT BACK AGAINST GVN TO COMPEL IT TO IMPLEMENT C-F. WITH INCREASED COMMUNIST ATTACKS
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AND US MIL AID CUTS, SVN FORCES' DOWNWARD SLIDE STARTED. WITH RECENT DEFEAT, THERE IS PERVASIVE FEELING THAT BALANCE OF MIL POWER IS TIPPING TOWARD COMMUNISTS. MIL ANALYSTS NOW EXPECT INTENSIFIED NVA CAMPAIGN TO GRAB MIL POSITIONS AND OBLITERATE GVN-CONTROLLED POCKETS WHILE INFLECTING MAXIMUM CASUALTIES ON ARVN. THIS REGARDED AS SOPHISTICATED PSYCHOLOGICAL, MIL AND POLITICAL GAME TO ERODE GVN BASE BY UNDERMINING MORALE IN ARMY AND CALLING THIEU'S JUDGMENT INTO QUESTION.

SHIPLER NOTES REPORTS THAT SOME GENERALS DISAGREE WITH ATTEMPTS TO HOLD ISOLATED POSTS LIKE PHUOC BINH AT TIME DWINDLING US AID. EFFECTS OF AID CUTS ARE WIDELY DEBATED IN SAIGON WITH SOME

ARGUING THAT ONLY WASTE WAS ELIMINATED BY REDUCTIONS. OBSERVES THAT CUTS DAMAGED TROOPS' MORALE. SEES CONFLICT STILL GOVERNED BY UNSWERVING DEVOTION OF NORTH AND VC TO REUNIFY COUNTRY. SPECULATION EXISTS THAT HANOI EXPECTED US PRESSURE ON THIEU TO ADHERE TO C-F AND DWINDLING AID TO WEAKEN AND TOPPLE GVN. THIS DID NOT HAPPEN, SO COMMUNISTS APPEAR TO HAVE TURNED CLOCK BACK.

OUTCOME REMAINS UNPREDICTABLE, WITH ECON WOES POSSIBLY BEING TRANSLATED INTO POLITICAL UNREST OR MIL APATHY. BEYOND QUESTIONS OF POSSIBLE INTERNAL OPPOSITION AND REACTION IN US, CHINA AND SOVIET, LIE SUBTLE POINTS OF POWER AND POLITICS. SHIPLER QUOTES SVN OFFICIAL THAT GOAL IS TO GAIN RESPECT FROM COMMUNISTS,

TO RID THEM OF IDEA THAT SOUTH VIETS ARE PUPPETS;
MIL AID CUTS WILL RESOLVE NOTHING, SINCE THIS IS
"TOTAL WAR IN EVERY SENSE."

10. CHINA

SUN EDIT NOTES THAT ACCORDING TO SOME US CALCULATIONS,
PRC MAY BE WORLD'S FOURTH LARGEST OIL PRODUCER
BY DECADE'S END. IF SO, SHE WOULD ALSO RANK WITH
IRAN AND SAUDIS AS ONE OF TOP THREE OIL EXPORTERS.
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FEELS IMPLICATIONS OF CHINA'S EMERGENCE AS MAJOR OIL
POWER ARE AS INTRIGUING AS THEY ARE CONJECTURAL.
SEES SIGNALS -- ESPECIALLY JAPAN'S PULLING BACK FROM
OIL/GAS PROJECT IN SOVIET SIBERIA -- THAT PEKING
IS QUITE PREPARED TO DEPLOY ITS OWN OIL WEAPONS TO
SUPPORT OF ITS STRATEGIC AND DIPLOMATIC INTERESTS.
CITES VIEW OF SOME US SOURCES THAT PEKING'S DEALINGS
WITH JAPAN "PAID OFF" BY DEFLECTING MOSCOW-TOKYO
SIBERIA DEAL, AND THAT CHINA'S OFFER OF CRUDE OIL TO
FRG AND AUSTRALIA DISPLAYS AWARENESS THAT HER SUPPORT
OF ARAB "OIL WEAPON" HARMS SUPERPOWERS LESS THAN WE
COMMUNITY.

SUN SAYS MUCH OF CHINESE DECISION WHETHER TO SELL US
OIL IN QUANTITY AND BUY OUR OIL-DRILLING TECHNOLOGY
MAY DEPEND ON SPEED WITH WHICH US NORMALIZES RELATIONS
AND TERMS BY WHICH US FIRMS WILL WANT TO TRADE WITH
CHINA. BUT IT IS APPARENT THAT EMERGENCE OF ANOTHER
MAJOR OIL EXPORTER ON WORLD MARKET IS BOUND TO
BRIGHTEN GENERAL SUPPLY PICTURE AND EASE SOME OF
PRESSURES ON LARGE CONSUMERS. SINCE US, JAPAN AND
WE SHARE SOME OF PEKING'S TREPIDATIONS ABOUT SOVIET,
IT IS REASSURING THAT CHINESE OIL MAY BE LIGHTING LOT
WORLD'S LAMPS.

PHINQ'S POTHIER REPORTS CONCLUSIONS OF PHILA CHILD
PSYCHIATRIST DR. THEODORE COHEN, WHO RETURNED FROM
CHINA STUDY TRIP FEW MONTHS AGO, THAT CONTRARY TO
VIEW OF MOST AMERICANS, CHINA ACTUALLY TREATS ITS
CHILDREN WITH "WARM, CONSISTENT GENTLENESS" -- AND
THAT AMERICA MIGHT DO WELL TO ADOPT SOME, BUT NOT ALL,
OF SUCCESSFUL PRC CHILD-REARING PRACTICES. COHEN
FOUND THAT CHINA HAS SOMEHOW CREATED ENVIRONMENT
IN WHICH CHILD ABUSE IS UNHEARD-OF, WITH CHILDREN
UNIVERSALLY WELL-FED, SMILING AND HAPPY AND PROBLEMS
SUCH AS DRUG ABUSE AND DELINQUENCY NON-EXISTENT.
BUT CHINESE SOCIETY PAY OBVIOUS PRICE FOR THIS
ENVIRONMENT IN TERMS DE- EMPHASIS ON INDIVIDUALITY,

CREATIVITY AND CURIOSITY -- IN BOTH CHILDREN AND ADULTS.

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COHEN REPORTS, HOWEVER, THAT CHINA HAS APPARENTLY ACHIEVED "ASTOUNDING" SUCCESS IN WIPING OUT VENEREAL DISEASE, PROSTITUTION, DRUG ADDICTION AND ALCOHOLISM. SAID ONE "MIND-BOGGLING" FINDING WAS WAY ALL CHILDREN, INCLUDING AUTISTIC, RECEIVE SAME TREATMENT.

IN CONTINUING REPORT ON RECENT CHINA TRIP WITH PENN GOV, MRS. SHAPP (JAN 14) OBSERVED IN TIENHSIN: THERE WAS NO UNIFORMITY IN HOTEL ELECTRICAL OUTLETS, "SO WE WONDER WHAT WILL HAPPEN IN THIS COUNTRY WHEN MORE PEOPLE BUY MORE ELECTRICAL APPLIANCES AND TRAVEL MORE"; AT TIENHSIN'S "CURTIS," GOV SAW YOUNG ARTISTS TRAINING FOR PROFESSIONAL CAREERS -- "NOW HE WANTS SOMEONE TO COME HERE TO RECORD THE ARTISTS FOR US CONSUMPTION"; TIENHSIN-NANKING TRAIN "RUNS ON AN EXCELLENT ROADBED -- NOTHING AT ALL LIKE AMTRACK"; PEOPLE IN NANKING WORK HARD, DILIGENTLY, THERE SEEMS LITTLE SEX DISCRIMINATION IN LABOR FORCE THOUGH THERE MAY BE ON GOVERNMENTAL AND SOCIAL LEVELS; SHAPPS RECEIVED MEDICAL CARE FOR COLDS IN NANKING -- "AGAIN AT NO COST; CHALK ONE UP FOR SOCIALIZED MEDICINE."

IN JAN 15 PHILA BULLETIN INSTALLMENT, MRS. SHAPP REPORTS ON MORNING SPENT IN COMMUNITY OUTSIDE WUSIH, WHICH IS ONE OF 82 PRODUCTION TEAMS OF SEVEN BRIGADE COMMUNE. GOAL IS EXCEEDING QUOTAS, AND SINCE PEOPLE ALL APPEARED WELL NOURISHED, ENERGETIC,

SPEAKING WITH SATISFACTION OF THEIR CONDITION, IT WAS CLEAR THAT QUOTAS FOR THEIR OWN USE "ARE REALISTIC . WE ARE ALWAYS DUBIOUS ABOUT REPORTS OF THE EFFICACY OF TWO-WAY DISCUSSIONS IN A TOTALITARIAN STATE." SHAPPS SAW CHINESE OPERA, "AZALEA MOUNTAIN," IN WUSIH. CAPACITY AUDIENCE WAS REGALED BY PROPAGANDA PIECE BLENDING MODERN WITH TRADITIONAL MODES, USING WESTERN AND CHINESE INSTRUMENTS. "LIKE JUST ABOUT EVERYTHING IN CHINA," STRONG POLITICAL MESSAGE WAS DELIVERED, UNSELFCONSCIOUSLY, WITH NO ATTEMPT AT SUBLETY. THIS "GOES ON ALL AROUND -- IN SCHOOLS, FACTORIES, TRAINS, COMMUNES, HOSPITALS." EVERYWHERE THE REVOLUTION IS UNCLASSIFIED

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KEPT ALIVE -- SOMEWHAT "HARD FOR AMERICANS TO ACCEPT
AS GENUINE," FOR "WE ARE USED TO EITHER MORE REALISM
OR MORE SUGAR-COATING." KISSINGER

NOTE BY OC/T: POUCHES SUVA.

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